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Reserve

World Production and Trade

United States
Department of
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Agricultural
Service

Washington, D.C. 20250

Weekly
Roundup

WR 44-88

Nov. 2, 1988

The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following developments in world agriculture and trade.

OILSEEDS AND PRODUCTS

EUROPEAN COMMUNITY Authorizes Sunflowerseed Oil Exports From SPAIN. The European Community (EC) authorized Spain to export 150,000 tons of sunflowerseed oil. Trade sources believe all 150,000 tons will be exported by January. Spain produced 1.2 million tons of sunflowerseed in 1988, up 20 percent over last year, and the EC's 1988 support price for Spain's sunflowerseed is up 4 percent over last year. Prior to joining the EC, Spain did not export sunflowerseed oil.

DAIRY, LIVESTOCK AND POULTRY

JAPAN'S Dairy Sector Shows Slow Growth. Japan's 1988 milk production is forecast at 7.45 million tons, 1.5 percent above 1987, according to the U.S. agricultural counselor in Tokyo. Milk cow numbers are estimated at 1.05 million head for 1988, down about half a percent and are forecast to decline at a similar rate in 1989. Milk production in 1989 is forecast to decline in line with the decline in cow numbers as higher international prices for feedstuffs have made further productivity increases unlikely. The decline in cow numbers partially reflects continued concentration of Japanese dairy production as dairy farms become larger and more efficient. The average dairy farm is reported to have 29 cows, up 20 percent since 1984.

With nearly stable milk production and increased demand for fluid use, the quantity of milk available for processing is trending downward. As a result, output of cheese in 1988 and 1989, forecast at 25,000 tons, is essentially the same as in 1987, despite growing demand. Butter output in 1988 is forecast at 60,000 tons, down more than 10 percent, but some recovery is forecast for 1989. Output of non-fat dry milk is forecast at 150,000 tons in both 1988 and 1989, about 2 percent below 1987 and over 10 percent below the 1986 record.

WEEKLY EXCHANGE RATE DEVELOPMENTS

The dollar ended the week of October 24 down against all major currencies. The decline probably reflects the smaller-than-expected 2.2 percent third quarter GNP growth reported by the U.S. Department of Commerce, after gains of 3.4 percent in the first and 3 percent in the second quarters of this year.

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Currencies	Current rate 10/27/88	----Percent week ago 10/20/88	change from----- month ago 09/29/88	year ago 10/87
Argentine austral	14.8100	-1.07	0.95	384.94
Australian dollar	1.2211	0.07	-4.41	-12.79
Brazilian cruzado	436.0100	5.62	22.17	718.97
Canadian dollar	1.2040	0.23	-1.19	-8.01
South African rand	2.4445	0.10	-1.50	19.23
Thai baht	25.2000	-0.20	-1.22	-2.28
ECU	0.8600 1/	-1.39	-5.17	-1.19
British pound	0.5659	-0.19	-4.73	-5.95
French franc	6.0637	-1.48	-5.33	0.80
West German mark	1.7773	-1.30	-5.58	-1.38
Japanese yen	125.9700	-0.86	-6.24	-12.13
South Korean won	704.1000	-0.83	-1.70	-12.59
New Taiwan dollar	28.6700	-0.80	-0.90	-4.24

1/ Rate as of October 26.

Exchangerates are spot as of 3 p.m. Eastern Time, October 26.

EXPORT ENHANCEMENT PROGRAM INITIATIVES

The status of USDA's Export Enhancement Program as of Oct. 27, 1988, was as follows in metric tons:

ANNOUNCED INITIATIVES	DATE ANNOUNCED	QUANTITY/RESULTS	
102. Kenya wheat	May 6, '88	100,000	
101. Central African Republic wheat flour	April 28, '88	40,000	
100. Benin wheat flour	April 25, '88	50,000	Sold 5,400
99. West Africa frozen poultry (Benin, Cameroon, Cote d'Ivoire, Gabon, Ghana, Guinea, Liberia, Senegal, Sierra Leone, Togo)	April 18, '88	5,000	Sold 20
98. German Dem. Rep. wheat	April 14, '88	130,000	
97. India wheat	April 13, '88	1,200,000	COMPLETE
	July 13, '88	800,000	COMPLETE
	Oct. 25, '88	1,000,000	
96. Peru barley malt	March 31, '88	20,000	
95. Cameroon barley malt	March 25, '88	20,000	
94. Burundi wheat	Feb. 8, '88	10,000	
93. Central American countries barley malt (Costa Rica, El Salvador, Guatemala, Honduras)	Jan. 27, '88	40,000	Sold 2,000
92. Turkey vegetable oil	Jan. 6, '88	80,000	COMPLETE
91. Algeria barley malt	Dec. 30, 87	10,000	Sold 3,300
90. Iraq barley malt	Dec. 23, 87	5,000	
89. Burundi barley malt	Dec. 16, '87	15,000	

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

88. Lebanon wheat	Dec. 11, '87	150,000	
87. Finland wheat	Dec. 9, '87	50,000	COMPLETE
	Jan. 21, '88	50,000	COMPLETE
	March 4, '88	150,000	Sold 7,500
86. Mexico wheat	Dec. 2, '87	200,000	COMPLETE
	March 3, '88	600,000	COMPLETE
			(600,375)
	Sept. 27, '88	300,000	
85. Zaire frozen poultry	Oct. 11, '88	300,000	
84. China dairy cattle	Nov. 30, '87	7,000	
	Nov. 18, '87	3,000 head	Sold 185
	April 29, '88		Balance
			withdrawn
83. Bulgaria barley	Nov. 17, '87	150,000	COMPLETE
82. Bulgaria wheat	Nov. 17, '87	150,000	COMPLETE
	Jan. 4, '88	200,000	
81. Gulf countries frozen poultry (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates)	Nov. 3, '87	16,000	Sold 4,022
80. Saudi Arabia frozen poultry	Nov. 3, '87	20,000	Sold 500
79. Hungary barley	Oct. 30, '87	100,000	
78. Algeria vegetable oil	Oct. 22, '87	60,000	COMPLETE
	April 8, '88	60,000	Sold 10,000
77. Morocco vegetable oil	Oct. 13, '87	60,000	Sold 27,000
76. Tunisia vegetable oil	Sept. 24, '87	60,000	COMPLETE
75. Singapore frozen poultry	Sept. 24, '87	2,000	Sold 182.3
74. Near East table eggs (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates, Yemen)	Aug. 27, '87	50 million eggs	COMPLETE
	April 15, '88	60 million eggs	Sold 37.3 million eggs
73. Saudi Arabia dairy cattle	Aug. 27, '87	2,000 head	Sold 1,870 head
	April 29, '88		Balance withdrawn
72. Iraq barley	Aug. 10, '87	150,000	COMPLETE
	Dec. 28, '87	100,000	COMPLETE
71. Brazil wheat	July 30, '87	300,000	Sold 66,000
70. Colombia wheat	July 30, '87	300,000	COMPLETE
	Oct. 27, '88	400,000	
69. Israel wheat	May 29, '87	200,000	
	April 18, '88		Withdrawn
68. Bangladesh wheat	May 22, '87	100,000	COMPLETE
	July 8, '87	50,000	COMPLETE
	Aug. 12, '87	150,000	COMPLETE
	Sept. 10, '87	300,000	Sold 194,000

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

67. Soviet Union wheat	April 30, '87	4,000,000	COMPLETE
	Oct. 15, '87	65,000	COMPLETE
	Nov. 9, '87	2,400,000	COMPLETE
	Nov. 27, '87	2,350,000	COMPLETE
	Jan. 29, '88	2,000,000	COMPLETE
	March 18, '88	1,000,000	COMPLETE
	April 4, '88	1,000,000	Sold 989,800
66. Turkey rice	April 3, '87	70,000	COMPLETE
65. Colombia barley malt	April 3, '87	15,000	COMPLETE
64. Iraq table eggs	Feb. 20, '87	189 million	Sold 178 million
		eggs	
	April 22, '88	96 million	eggs
63. Canary Islands poultry	Feb. 9, '87	5,000	COMPLETE
	May 10, '88	1,000	COMPLETE
	Sept. 22, '88	2,000	Sold 1,000
62. Nigeria wheat	Jan. 28, '87	500,000	
61. China wheat	Jan. 26, '87	1,000,000	COMPLETE
	Aug. 18, '87	1,000,000	COMPLETE
	Nov. 17, '87	1,000,000	COMPLETE
	Dec. 11, '87	1,000,000	COMPLETE
	Feb. 5, '88	1,200,000	COMPLETE
	April 5, '88	2,000,000	COMPLETE
	Aug. 18, '88	2,000,000	Sold 1,440,000
60. Iraq wheat	Jan. 16, '87	800,000	COMPLETE
	Oct. 26, '87	1,000,000	Sold 862,000
59. Switzerland barley or sorghum	Jan. 16, '87	250,000	Sold 9,000
58. Poland wheat	Jan. 7, '87	500,000	COMPLETE
	July 2, '87	500,000	COMPLETE
	Dec. 1, '87	1,000,000	Sold 975,000
	March 22, '88	500,000	
57. Poland barley or sorghum	Dec. 31, '86	200,000	COMPLETE
	Dec. 14, '87	500,000	Sold 295,000
56. Romania wheat	Dec. 23, '86	250,000	
55. Iraq poultry	Dec. 22, '86	60,000	COMPLETE
	Oct. 2, '87	10,000	Sold 5,000
	Nov. 25, '87	30,000	
54. Dominican Republic table eggs	Dec. 9, '86	25 million	Sold 11.1 million eggs
		eggs	
53. Zanzibar wheat flour	Dec. 9, '86	20,000	Sold 6,000
52. Tunisia barley	Dec. 1, '86	150,000	COMPLETE
	March 23, '88	350,000	
51. Gulf countries (Bahrain, Kuwait, Oman, Qatar, United Arab Emirates) dairy cattle	Oct. 30, '86	1,500 head	COMPLETE
	Aug. 27, '87	1,500 head	Sold 24 head
	April 29, '88		Balance withdrawn

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

50. West Africa (Benin, Burkina Faso, Cameroon, Cote d'Ivoire, Ghana, Gabon, Liberia, Niger, Togo) wheat	Oct. 30, '86 June 15, '87 Feb. 4, '88	345,000 185,000 50,000	Sold 296,250
49. Dominican Republic poultry	Oct. 29, '86 Jan. 12, '88	1,500 2,000	COMPLETE
48. Philippines barley malt	Oct. 20, '86	60,000	Sold 46,000
47. Cameroon wheat flour	Oct. 14, '86 May 26, '88	20,000 35,000	COMPLETE Sold 25,000
46. Romania barley	Sept. 24, '86	200,000	Sold 125,000
45. Venezuela barley malt	Sept. 4, '86	100,000	
44. Cyprus barley	Aug. 26, '86	150,000	Sold 130,000
43. Canary Islands wheat	Aug. 8, '86	100,000	Sold 15,300
42. Egypt semolina	Aug. 6, '86 Sept. 29, 1987	30,000	Sold 23,000 Balance withdrawn
41. Soviet Union wheat	Aug. 1, '86	4,000,000	EXPIRED
40. Canary Is. dairy cattle	July 28, '86 April 29, '88	3,000 head	Sold 2,985 Balance withdrawn
39. Hong Kong table eggs	July 28, '86 Nov. 16, '87 June 7, '88	44 million eggs 48 million eggs 48 million eggs	COMPLETE COMPLETE Sold 31.0 million
38. Senegal wheat	July 17, '86 Sept. 11, '87	100,000 110,000	COMPLETE
37. India vegetable oil	July 8, '86 Dec. 15, '87	25,000 300,000	COMPLETE Sold 120,000
36. Jordan barley	June 17, '86 Nov. 12, '86	60,000 100,000	COMPLETE
35. Israel barley	June 17, '86 Sept. 14, '87	200,000 200,000	COMPLETE COMPLETE (206,200)
34. Tunisia dairy cattle	April 27, '88 May 29, '86	200,000 4,000 head	Sold 30,000 COMPLETE
33. Algeria dairy cattle	May 29, '86	5,000 head	COMPLETE
32. Sri Lanka wheat	May 16, '86 March 5, '87 Aug. 20, '87	125,000 95,000 240,000	COMPLETE COMPLETE Sold 240,000

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EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

31. Saudi Arabia barley	May 7, '86	500,000	COMPLETE
	Aug. 6, '86	250,000	COMPLETE
	Sept. 16, '86	300,000	COMPLETE
	Oct. 8, '86	200,000	COMPLETE
			(201,000)
	Jan. 5, '87	1,250,000	COMPLETE
	May 15, '87	500,000	COMPLETE
	Aug. 4, '87	500,000	COMPLETE
	April 18, '88	250,000	COMPLETE
	June 7, '88	300,000	Sold 25,000
30. Algeria barley	Apr. 17, '86	500,000	COMPLETE
	April 18, '88	200,000	Sold 198,000
29. Morocco dairy cattle	April 16, '86	4,000 head	COMPLETE
	Dec. 8, '87	7,500 head	
	April 29, '88		Withdrawn
	July 7, '88	5,000 head	
		non-registered	
28. Turkey dairy cattle	April 16, '86	5,000 head	COMPLETE
	June 18, '86	5,000 head	COMPLETE
	Nov. 18, '87	10,000 head	
	April 29, '88		Withdrawn
	July 7, '88	5,000 head	COMPLETE
		non-registered	
27. Egypt dairy cattle	April 16, '86	6,000 head	COMPLETE
	Sept. 12, '86	10,000 head	Sold 3,681
	Oct. 19, '87		Withdrawn
26. Yemen poultry feed	April 14, '86	150,000	COMPLETE
	Dec. 1, '87	186,500	Sold 38,968
	Aug. 31, '88		Cancelled
25. Yugoslavia wheat	April 10, '86	200,000	COMPLETE
	June 24, '86	200,000	COMPLETE
	Oct. 7, '86	500,000	Sold 417,050
	Oct. 19, '87	500,000	
24. Indonesia dairy cattle	April 9, '86	7,500 head	COMPLETE
	June 18, '87	8,000 head	COMPLETE
	Oct. 5, '87	8,000 head	Sold 4,000
	April 29, '88		Balance
			withdrawn
23. Syria wheat	April 8, '86	700,000	CANCELED
22. Benin wheat (remaining 15,000 tons transferred to West Africa	April 7, '86	45,000	COMPLETE
21. Algeria table eggs	April 4, '86	500 million	eggs
	Sept. 29, '87		Withdrawn
20. Iraq dairy cattle	April 4, '86	6,500 head	Sold 6,028
	April 29, '88		Balance
			withdrawn

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

19. Jordan wheat	March 19, '86	75,000	COMPLETE
	June 20, '86	75,000	COMPLETE
	Dec. 31, '86	225,000	COMPLETE
	March 2, '86	350,000	
18. Tunisia wheat	March 18, '86	300,000	COMPLETE
	Aug. 22, '86	800,000	Sold 775,000
	Feb. 3, '88	725,000	
17. Algeria wheat flour	Feb. 25, '86	100,000	
	Sept. 29, '87		Withdrawn
16. Algeria semolina	Feb. 11, '86	250,000	Sold 30,000
	Oct. 9, '87	Allocation reduced	COMPLETE
	Oct. 9, '87	50,000	
15. Philippines wheat	Jan. 7, '86	150,000	COMPLETE (152,400)
	Aug. 10, '87	500,000	COMPLETE
	Feb. 11, '88	500,000	COMPLETE
	Sept. 14, '88	700,000	Sold 125,000
14. Zaire wheat	Dec. 27, '85	35,000	COMPLETE
	May 15, '86	45,000	COMPLETE
	Oct. 10, '86	40,000	COMPLETE
	July 16, '87	80,000	COMPLETE
	Feb. 4, '88	160,000	Sold 34,000
13. Nigeria barley malt	Dec. 10, '85	100,000	Sold 93,464
12. Iraq wheat flour	Dec. 9, '85	150,000	COMPLETE
	Jan. 7, '87	175,000	Sold 75,000
11. Egypt poultry	Nov. 26, '85	8,000	COMPLETE
	March 21, '86	15,000	COMPLETE
	June 18, '86	5,000	COMPLETE
	July 8, '86	15,000	COMPLETE
	Dec. 19, '86	25,000	COMPLETE
	Feb. 27, '87	6,000	COMPLETE
	June 7, '88	5,000	
10. Zaire wheat flour	Nov. 18, '85	64,000	COMPLETE
	May 15, '86	30,000	COMPLETE
	April 20, '88	45,000	
9. Philippines wheat flour	Nov. 15, '85	100,000	Sold 50,000
	Sept. 29, '87		Balance withdrawn
8. Jordan rice	Nov. 8, '85	40,000	COMPLETE
	Jan. 13, '87	60,000	COMPLETE (61,150)
7. Turkey wheat	Oct. 16, '85	500,000	COMPLETE (506,600)
	May 8, '86	500,000	Sold 248,000
6. Morocco wheat	Sept. 30, '85	1,500,000	COMPLETE
	Dec. 9, '86	790,000	COMPLETE
	July 1, '87	500,000	COMPLETE
	Nov. 23, '87	1,500,000	Sold 1,080,000

EXPORT ENHANCEMENT PROGRAM INITIATIVES (CONT)

5. Yemen wheat	Sept. 6, '85	100,000	COMPLETE
	Jan. 26, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	COMPLETE
	May 31, '88	100,000	Sold 50,000
4. Yemen wheat flour	Aug. 20, '85	50,000	COMPLETE
	April 14, '86	100,000	COMPLETE
	May 18, '87	100,000	COMPLETE
	Oct. 22, '87	100,000	Sold 16,040
3. Egypt wheat	July 26, '85	500,000	COMPLETE
	Oct. 30, '85	500,000	COMPLETE
			(512,500)
	June 24, '86	500,000	COMPLETE
	July 29, '86	52,000	COMPLETE
	Oct. 8, '86	1,000,000	COMPLETE
	July 8, '87	500,000	COMPLETE
	Nov. 30, '87	1,000,000	COMPLETE
	May 11, '88	1,000,000	Sold 880,750
2. Egypt wheat flour	July 2, '85	600,000	COMPLETE
	Aug. 6, '86	600,000	Sold 598,500
1. Algeria wheat (ex durum)	June 4, '85	1,000,000	COMPLETE
wheat (ex durum)	April 10, '86	1,000,000	COMPLETE
durum	Nov. 10, '86	300,000	COMPLETE
durum	March 16, '87	300,000	COMPLETE
durum	July 24, '87	300,000	COMPLETE
durum	Oct. 29, '87	300,000	COMPLETE
wheat (all)	Dec. 31, '87	1,000,000	COMPLETE
wheat (all)	Aug. 12, '88	1,000,000	Sold 225,000

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EXPORT ENHANCEMENT PROGRAM SUMMARY
Announced as of Oct. 27, 1988

Announced to Date* 69,425,390 tons grains and products (grain equivalent)
560 million table eggs
240,500 tons frozen poultry
74,773 head dairy cattle
645,000 tons vegetable oil

Sold to Date 48,054,034 tons wheat
2,576,744 tons flour (grain equivalent)
5,960,154 tons barley
72,610 tons semolina (grain equivalent)
213,013 tons barley malt (grain equivalent)
319,000 tons sorghum
171,150 tons rice
188,968 tons poultry feed
382,000 tons vegetable oil
152,342 tons frozen poultry
69,773 head dairy cattle
399,249,780 table eggs

Total Sales Value: \$6,099.4 million
Estimated Bonus Book Value: \$3,083.2 million
Market Value of Awards: \$2,256.3 million

*Does not include withdrawn programs.

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Selected International Prices

Item	:	November 1, 1988	:	Change from	:	A year
	:		:	a week ago	:	ago
ROTTERDAM PRICES 1/		\$ per MT	\$ per bu.	\$ per MT		\$ per MT
Wheat:						
Canadian No. 1 CWRS-13.5%.10/		216.00	5.88	+1.00		146.00
U.S. No. 2 DNS/NS: 14%.10/		186.00	5.06	-0.50		138.00
U.S. No. 2 S.R.W.11/		186.75	5.08	+1.50		133.00
No. 3 H.A.D.....10/		193.00	5.25	-0-		154.00
Canadian No. 1 A: Durum10/		210.00	5.72	-2.50		163.00
Feed grains:						
U.S. No. 3 Yellow Corn.11/		137.25	3.49	-3.75		95.50
Soybeans and Meal:						
U.S. No. 2 Yellow.....11/		311.55	--	--		218.45
Brazil 47/48% Soya Pellets10/		296.00	--	--		239.00
U.S. 44% Soybean Meal..11/		285.00	--	-14.00		224.00
U.S. FARM PRICES 3/						
Wheat		140.55	3.82	-0-		94.05
Barley.....		97.37	2.12	-7.35		53.74
Corn.....		100.79	2.56	+4.80		64.17
Sorghum.....		87.52	3.97 2/	-3.97		56.66
Broilers.....		1,209.00	--	+4.19		981.71
EC IMPORT LEVIES						
Wheat 5/.....		150.74	4.10	+3.81		225.42
Barley.....		140.71	3.06	+5.34		219.20
Corn.....		145.99	3.71	+5.07		201.41
Sorghum.....		159.91	4.06	+5.40		208.23
Broilers 4/ 6/ 8/.....		506.00	--	+3.00		527.00
EC INTERVENTION PRICES 7/ 9/						
Common wheat(feed quality)		199.44	5.43	+2.10		208.87
Bread wheat (min. quality)		209.85	5.71	+2.12		219.73
Maize.....		209.85	5.33	+2.12		219.73
Barley and all other feed grains, excluding maize.		199.44	--	+2.10		208.87
Broilers 4/ 6/.....		1,527.00	--	-2.00		1,576.00
EC EXPORT RESTITUTIONS (subsidies)						
Wheat		N.A.	--	--		N.A.
Barley.....		N.A.	--	--		N.A.
Broilers 4/ 6/ 8/.....		577.00	--	-53.00		437.00

1/ Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam. 2/ Hundredweight (CWT). 3/ Five-day moving average. 4/ EC category--70 percent whole chicken. 5/ Reflects lower EC export subsidy--down to 20.00 ECU/100 bag effective 9/14/83 from 22.50 ECU/100 bag set in 2/83. 6/ F.o.b. price for R.T.C. broilers at West German border. 7/ Reference price. 8/ Reflects change in level set by EC. 9/ Changes may be due partly to exchange rate fluctuations and/or ECU payments. 10/ November/December delivery. 11/ December delivery. N.A.=None authorized. N.Q.=Not quoted.

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